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SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/25/07

**Affidavit and Revenue Certification**

South Webster Parish Industrial District ENTITY NAME  
Webster Parish  
Minden (City), Louisiana

**ANNUAL SWORN FINANCIAL STATEMENTS AND  
CERTIFICATION OF REVENUES \$50,000 OR LESS (if applicable)**

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. If applicable, the certification of revenues \$50,000 or less is required by Louisiana Revised Statute 24:513(1)(1)(c)(i). (The threshold is \$200,000 for Justices of the Peace and Constables.)

\*\*\*\*\*  
Personally came and appeared before the undersigned authority, Ty Pendergrass  
(name), who, duly sworn, deposes and says that the financial  
statements herewith given present fairly the financial position of South Webster Industrial District  
SWID (entity name) as of DEC. 31, 2006 and the results of  
operations for the year then ended, in accordance with the basis of accounting described within  
the accompanying financial statements.

(Complete if applicable)

In addition, TY PENDERGRASS, (name), who, duly sworn, deposes and  
says that SOUTH WEBSTER INDUSTRIAL DISTRICT (entity name) received \$50,000  
(\$200,000) or less in revenues and other sources for the year ended DEC. 31, 2006  
20  , and accordingly, is not required to have an audit for the previously mentioned year.

  
Signature

Sworn to and subscribed before me this 23 day of March, 2007

  
NOTARY PUBLIC

\*\*\*\*\*  
Officer Name TY PENDERGRASS  
Title CHAIRMAN  
Address PO BOX 819  
MINDEN LA 71058  
Telephone No. (318) 377-4262  
Fax No. (318) 377-0547

**SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
**Financial Statements**

**As of and for the Year Ended December 31, 2006**  
**With Supplemental Information Schedules**

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# JAMIESON, WISE & MARTIN

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MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## ACCOUNTANTS' COMPILATION REPORT

To the Board of Commissioners of the  
South Webster Parish Industrial District

We have compiled the accompanying financial statements of the South Webster Parish Industrial District, as of and for the year ended December 31, 2006, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements information that is the representation of management of the South Webster Parish Industrial District. We have not audited or reviewed the accompanying financial statements and, accordingly, we do not express an opinion or any other form of assurance on them.

Management has elected not to implement the new financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. The effects of this departure from generally accepted accounting principles have not been determined.

The Schedule of Compensation Paid to Board Members, Schedule of Prior Year Findings, and Corrective Action Plan for Current Year Findings on pages 11-13, are not a required part of the accompanying financial statements and are presented for purposes of additional analysis. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

We are not independent in respect to South Webster Parish Industrial District.

*Jamieson, Wise & Martin*

Minden, LA  
March 27, 2007

## FINANCIAL STATEMENTS

## SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT

Combined Balance Sheets - All Fund Types and Account Groups  
 December 31, 2006  
 (Unaudited)

	Governmental Fund Type	Account Group	Total (Memorandum Only)	
	General	General Fixed Assets	2006	2005
<b>ASSETS</b>				
Cash	\$ 210,545	-	210,545	246,516
Accounts receivable	-	-	-	390
Land	-	521,900	521,900	521,900
Land improvements	-	1,128,387	1,128,387	1,128,387
Buildings	-	439,030	439,030	439,030
Equipment	-	5,215	5,215	5,215
Total Assets	<u>\$ 210,545</u>	<u>2,094,532</u>	<u>2,305,077</u>	<u>2,341,438</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts Payable	\$ -	-	-	4,213
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,213</u>
Fund Equity:				
Investment in general fixed assets	-	2,094,532	2,094,532	2,094,532
Fund Balances:				
Unreserved	210,545	-	210,545	242,693
Total fund equity	<u>210,545</u>	<u>2,094,532</u>	<u>2,305,077</u>	<u>2,337,225</u>
Total Liabilities and Fund Equity	<u>\$ 210,545</u>	<u>2,094,532</u>	<u>2,305,077</u>	<u>2,341,438</u>

The accompanying notes are an integral part of these financial statements.

## SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT

Combined Statements of Revenues, Expenditures, and Changes in Fund Balances  
 All Governmental Fund Types  
 For the Year Ended December 31, 2006  
 (Unaudited)

	GOVERNMENTAL	Total	
	FUND	(Memorandum Only)	
	General	2006	2005
<b>REVENUES</b>			
Interest	\$ 119	119	350
Lease Income	1,823	1,823	4,690
Other Income	9,100	9,100	-
Total revenues	<u>11,042</u>	<u>11,042</u>	<u>5,040</u>
<b>EXPENDITURES</b>			
General and administrative -			
Office management fees	30,500	30,500	18,000
Professional services	9,895	9,895	31,365
Insurance	1,534	1,534	1,030
Utilities	263	263	256
Park Development	750	750	750
Miscellaneous	248	248	1,139
Total expenditures	<u>43,190</u>	<u>43,190</u>	<u>52,540</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(32,148)</u>	<u>(32,148)</u>	<u>(47,500)</u>
<b>Other financing sources</b>			
Proceeds - loan repayment	-	-	47,664
Proceeds from sale of assets	-	-	88,670
Total other financing sources	<u>-</u>	<u>-</u>	<u>136,334</u>
<b>Excess of revenues and other sources over expenditures</b>	<u>(32,148)</u>	<u>(32,148)</u>	<u>88,834</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>242,693</u>	<u>242,693</u>	<u>153,859</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 210,545</u>	<u>210,545</u>	<u>242,693</u>

The accompanying notes are an integral part of these financial statements.

## SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT

Combined Statements of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Cash Basis) and Actual  
All Governmental Fund Types  
For the Year Ended December 31, 2006  
(Unaudited)

	General Fund		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Lease income	\$ 70,000	2,213	(67,787)
Interest	200	119	(81)
Other income	9,100	9,100	-
Total revenues	79,300	11,432	(67,868)
<b>EXPENDITURES</b>			
General and administrative -			
Office management fees	48,000	30,500	17,500
Professional services	11,100	14,083	(2,983)
Park Development	750	750	-
Insurance	1,200	1,534	(334)
Utilities	300	289	11
Miscellaneous	200	247	(47)
Travel and recruitment	500	-	500
Total expenditures	62,050	47,403	14,647
<b>Excess (deficiency) of revenues over expenditures</b>	17,250	(35,971)	(53,221)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	193,295	246,516	53,221
<b>FUND BALANCES AT END OF YEAR</b>	\$ 210,545	210,545	-

The accompanying notes are an integral part of these financial statements.



SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to the Financial Statements  
As of and for the Year Ended December 31, 2006

INTRODUCTION

The South Webster Parish Industrial District was created as a political subdivision of the state, under the provisions of Act No. 393 of the 1980 regular session of the Louisiana Legislature. Its territorial limits and jurisdiction extend throughout Ward One of Webster Parish in the northwest corner of the State of Louisiana.

The governing authority of the District is a Board of Commissioners consisting of seven members, three of whom are appointed by the Cities of Minden and Dixie Inn, two of whom are appointed by the municipalities of Sibley, Dubberly, Heflin and Doyline, one is appointed by the Webster Parish Police Jury and one is appointed by the Minden Economic Development Council. Each commissioner serves for a two-year term of office.

The District is provided the powers and duties to incur debt and issue bonds to encourage industrial enterprises through the operation of an industrial park.

1. Summary of Significant Accounting Policies

- A. Basis of presentation - The accompanying financial statements of the South Webster Parish Industrial District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. However, management has elected not to implement the new financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.
- B. Reporting entity - For financial reporting purposes, in conformance with GASB Statement No. 14, the South Webster Parish Industrial District includes all funds and account groups that are controlled by the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.
- C. Fund accounting - The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal

SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to the Financial Statements  
As of and for the Year Ended December 31, 2006

compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in funds because they do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The governmental fund of the district includes the general fund, which is the general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

- D. Basis of accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues** -- Intergovernmental revenues are recorded when the District is entitled to the funds. Interest income on deposits is recorded monthly when the interest is earned and credited to the account. Note receivable payments are recorded when received.

**Expenditures** - With the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except that the principal and interest on general long-term debt is recognized when due.

**Other financing sources** - Proceeds from the sale of long-term bonds are accounted for as other financing sources and are recognized when the underlying events occur.

- E. Budget practices - The District adopts and controls budgets and the object level of expenditures. Appropriations lapse at year-end and must be reappropriated for the following

SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to the Financial Statements  
As of and for the Year Ended December 31, 2006

year to be expended. All changes to the original budget must be approved by the Board of Commissioners.

The revenues and expenditures, for the year ended December 31, 2006, as shown on page 4 is reconciled with the amounts reflected on the budget comparisons on page 5 as follows:

Year Ended 2006:	<u>General Fund</u>
(Deficiency) of revenues over expenditures (GAAP Basis)	\$ (32,148)
To adjust for:	
Accounts receivable	390
Accounts payable	<u>(4,213)</u>
Excess of revenues and over expenditures (Cash Basis)	\$ <u>(35,971)</u>

- F. Encumbrances - The district does not use encumbrance accounting.
- G. Cash and cash equivalents - Cash includes amounts in interest-bearing demand deposits. Under state law, the District may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.
- H. Fixed assets - Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group. All purchased general fixed assets are valued at cost. Donated fixed assets are valued at their estimated fair value on the date donated. No depreciation has been provided on general fixed assets. The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives is not capitalized. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized along with other general fixed assets.
- I. Total columns on combined statements - Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles.

SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to the Financial Statements  
As of and for the Year Ended December 31, 2006

Neither is such data comparable to a consolidation.

2. Cash and cash equivalents

At December 31, 2006, the district has cash and cash equivalents (book balance) totaling \$210,545 as follows:

Interest-bearing demand deposits	\$ <u>210,545</u>
----------------------------------	-------------------

These deposits are stated at costs, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2006, the district has \$ 210,573 in collected bank balances. These deposits are secured from risk by \$ 100,668 of federal deposit insurance and \$132,633 in pledged securities.

3. Changes in general fixed assets

A summary of changes in general fixed assets follows:

	Balance <u>12-31-05</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12-31-06</u>
Land	\$ 521,900	-	-	521,900
Land Improvements	1,128,387	-	-	1,128,387
Buildings	439,030	-	-	439,030
Park Equipment	<u>5,215</u>	<u>-</u>	<u>-</u>	<u>5,215</u>
Total	\$ <u>2,094,532</u>	<u>-</u>	<u>-</u>	<u>2,094,532</u>

SUPPLEMENTAL INFORMATION SCHEDULES

SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Schedule of Compensation Paid Board Members  
For the Year Ended December 31, 2006

The following serve on the Board of Commissioners without compensation:

Marcus Wren	Chairman
Shelly Williams	Commissioner
Ty Pendergrass	Commissioner
Hunt Powell	Commissioner
Pat Price	Commissioner
Henry Bridges	Commissioner
James Smith	Commissioner

SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Summary Schedule of Prior Year Findings  
For the Year Ended December 31, 2006

**2005-1 Budget variance**

**Description of Finding:** The actual expenditures of the general fund were \$48,327, while the amount budgeted for expenditures were \$22,050. The actual expenditures exceeded budgeted expenditures by \$26,277, which resulted in an unfavorable variance in excess of 5%.

**Corrective Action Planned:** The District intends to review and to amend its budgets as required by law.

**Status:** Unresolved, see current year finding 2006-1.

SOUTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Corrective Action Plan for Current Year Findings  
For the Year Ended December 31, 2006

**2006-1 Budget variance**

**Description of Finding:** The actual revenues of the general fund were \$11,432, while the amount budgeted for revenues was \$79,300. The actual revenues were less than budgeted revenues by \$67,868, which resulted in an unfavorable variance in excess of 5%.

**Corrective Action Planned:** The District intends to review and to amend its budgets as required by law.